Suspension of Import of Titanium Dioxide

*312. SHRI S. MUTHU MANI: Will the Minister of INDUSTRY be pleased to state:

(a) whether any representation has been received urging Government to suspend titanium dioxide import forthwith in order to save one public sector undertaking;

(b) whether it is true that due to reduction of import duty to 40 per cent on titanium dioxide in the last budget, the public sector undertaking is not in a position to liquidate its product even at a cost which was less than the production cost; and

(c) if so, action taken by Government to protect the interest of public sector undertaking of the country?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) There is no Central PSU which produces titanium dioxide. Two Units of State Government of Kerala are in the field of production of titanium dioxide used in paint industries.

The State Government of Kerala has made representation to Union Finance Minister on the matter against reduction of import duty on titanium dixoide. In the representation the Government of Kerala have mentioned that reduction of import duty on titanium dioxide has adversely affected the State PSU engaged in production of titanium dioxide.

Under the existing policy titanium dioxide is freely importable. However, this item has recently been placed in the list of sensitive items for the purpose of its import und".r Duty Exemption Scheme. Although, there has been reduction in basic custom duty on other chemicals from 40% to 30% in the Budget for 1997-98 but Government have not reduced basic custom duty on titanium dixoide. In addition to basic custom duty, titanium dioxide would also attract a speical custom duty of 2% as announced in 1997-98 Budget.

Karnataka's Claim for Royalty from BGML

*313. SHRI S.M. KRISHNA: Will the Minister of MINES be pleased to state:

(a) the amount of royalty Government of Karnataka claimed during the last three years, year-wise from Bharat Gold Mines Limited (BGML) operations at Kolar;

(b) the status of BIFR proceedings of BGML as on date and by when a decision to rehabilitate the BGML is likely to be taken;

(c) whether it is a fact that tenders were invited and quotations .received from Australian firm to process tailings in the BGML; and

(d) if so, the details thereof?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA): (a) The amount of royalty claimed by the State Government of Karnataka during the last three years, year-wise from Bharat Gold Mines Limited (BGML) operations at Kolar is furnished below:—

Year	Amount of Royalty (Rs. in Lakhs)
1993-94	34.17
1994-95	55.41
1995-96	45.53

(b) The Board for Industrial and Financial Reconstruction (BIFR), in the absence of a viable rehabilitation package being submitted to it, has issued a notice on 14.11.1996 for winding up BGML and the BIFR also issued a public notice on 15.11.1996 inviting suggestions/objections against winding up notice. The winding up notice has been issued by the BIFR before the Government could take a view on the rehabilitation package submitted by M/s Industrial Credit and Investment Corporation of India Ltd. (ICIG1), the Operating Agency (OA) appointed by the BIFR for the purpose. BGML has